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C O N F I D E N T I A L ALGIERS 002189

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TAGS: [PTER](#) [ETRD](#) [KDEM](#) [KISL](#) [AG](#)
SUBJECT: GOVERNMENT ISLAMIST PARTY SEES CONSENSUS ON
FIGHTING TERRORISM BUT NOT ON REFORM

REF: A. ALGIERS 2104

[1](#)B. ALGIERS 2140

Classified By: Ambassador Robert S. Ford, reasons 1.4 b/d

[1](#)1. (C) Summary: A top official in the moderate Islamist Movement for the Society of Peace (MSP) party, a member of the governing coalition, told us Algeria did not yet have the same societal consensus to support WTO accession and other economic reforms aimed at attracting investment as it did on combating terrorism. Nouredine Ait Messaoudene suggested that if the U.S. wanted to move forward on WTO accession it take a piecemeal approach that would gradually generate momentum for more strategic economic changes. Ait Messaoudene expressed his sympathies for the December 10 terrorist attack against an American target (in which an American was also wounded) and said the attack came as a shock to the Algerian government, which he said was moving aggressively to find the perpetrators. He described the remaining terrorists in Algeria as increasingly small but intent on using violence to attract media attention. MSP was the only political party, he stressed, that supported lifting the Emergency Law originally enacted to fight terrorism. He also said the MSP advocated sweeping changes that would open up political space and end the practice of corruption. End Summary.

REMAINING TERRORISTS ARE FEW IN NUMBER

[1](#)2. (C) Over lunch with PolEc Chief December 18, Nouredine Ait Messaoudene (strictly protect) the executive director of the Movement for a Society of Peace (MSP), the Islamist party in the governing coalition, expressed great disappointment and extended his sympathies over the December 10 terrorist attack in the capital aimed at Western interests (ref A). Despite the near-universal condemnation in Algeria of terrorist tactics, he noted that an increasingly small number of terrorists remained intent on using violence for violence's sake in order to attract global media attention, he claimed. Ait Messaoudene stressed that the GOA was actively pursuing the perpetrators of this act, which he characterized as "highly embarrassing" for the government. According to his information, the security services believed that residents of the area helped the terrorists. Therefore, the investigation was currently focused on finding accomplices near the site of the attack.

13. (C) Ait Messaoudene said Algerians of all ages did not want to return to the dark days of terrorism that the society witnessed in the 1990s. Algerians understood the dangers of terror all too well and, for this reason, did not have sympathy for terrorists. The central problem in his view was the need to provide hope and opportunity for Algerian youth, who were more likely than others to be tempted by the allure of terrorism as a means to be part of something larger than themselves. Opening up the political system and channeling the energy of Algeria's youth toward political participation was key to depriving the terrorists of what few recruits they could continue to muster. Ironically, the December 10 attack would harden the resolve of the government to keep the Emergency Law in force, at least in the near term. Ait Messaoudene said MSP continued to support cancellation of the law as key to widening the political space in Algeria.

BROAD CONSENSUS NEEDED FOR ECONOMIC REFORM

14. (C) The MSP executive director contrasted the broad societal consensus in Algeria on fighting terrorism with the lack of it on issues of economic reform. He said Algerians understood that investment was required in order to create jobs, but they did not want to make the changes necessary to attract investment. PolEc Chief noted that Algerians frequently complained to U.S. officials that U.S. investors were not investing outside the hydrocarbons sector. Ait Messaoudene said what was worse was that Algerians themselves did not invest in their country, which he described as devoid of functioning banks and a stable legal environment. PolEc Chief reviewed MEPI programs active in these areas, which Ait Messaoudene said were making a helpful contribution.

15. (C) Noting that Minister of Commerce Djaboub was a member of MSP, PolEc Chief reviewed current American thinking on making progress toward Algeria's accession to WTO and asked Ait Messaoudene for MSP views on this subject. The party's executive director urged making progress on two to three defined areas of Algeria's WTO process as a start and leaving difficult issues until later. Asked if elements of MSP opposed WTO accession, Ait Messaoudene replied in the negative. It was not MSP that stood in the way of Algeria's WTO accession. Rather, he said, the labor unions and sympathetic elements of the FLN comprised the bulk of the opposition. He added that the Algerian business sector was also hostile to some reforms tied to WTO accession that would harm their interests.

16. (C) Ait Messaoudene said he personally was of the opinion that WTO accession would take Algeria some time, because the same societal consensus on fighting terrorism was far from evident for WTO membership. He encouraged the American focus sector by sector in promoting WTO accession and not to expect any dramatic strategic direction from the prime minister or president. He qualified that recommendation in two important ways. First, Algeria was a proud state, and additional accessions to the WTO by other countries in the region could spur the government into taking more strategic action. The accession of Saudi Arabia before Algeria, he noted, was a heavy blow to the Algerian ego. Second, if sector-by-sector agreements with the U.S. on WTO accession were trumpeted to the public, and the public understood that such agreements would lead to greater investment and more jobs, it might be possible to build momentum for concessions in more difficult sectors. Ait Messaoudene observed that Prime Minister Belkhadem was unlikely to make an effort to support WTO accession, but Belkhadem was interested in increasing investment and jobs. If tangible benefits of sectoral reforms were realized, Belkhadem would likely take interest greater in WTO accession.

MSP COMMITTED TO ROOTING OUT CORRUPTION

17. (C) The MSP official closed the conversation by turning to the fight against corruption, which he noted was a wedge

issue for MSP in campaigning for the May parliamentary elections (ref B). Ait Messaoudene said MSP was sincere in wanting to root out corruption, like terrorism, from Algerian daily life. Fighting corruption and opening the political space were two areas which required anything but a piecemeal approach. In addition to abolishing the Emergency Law, MSP sought to make bribery and corruption un-Algerian. While MSP recognized that salaries of public servants would need to be raised as part of this effort, Ait Messaoudene emphasized that Algerians could not continue to sit back and wait for their country to "outgrow" corruption over a long period of time. A massive campaign against it had to be launched. Unfortunately, remarked Ait Messaoudene, Algerians remained passive about taking control of their destiny. Too many years of socialism led them to blame others for their failings. This was true for corruption, and it was also true for expanding investment opportunity and preparing Algeria to compete in the global economy.

COMMENT

18. (C) We can be sure that Ait Messaoudene will talk to his fellow MSP party members, Commerce Minister Djaboub about our discussion of WTO accession issues. Coordination of WTO issues within the Algerian government currently rests with a mid-level employee at the Commerce Ministry, Cherif Zaaf. As a result of GOA complaints against Zaaf, we recently learned, MFA has directed the Deputy Director for the Americas to attend all Zaaf's meetings with embassy personnel in order to document Zaaf's incompetence and replace him. While Ait Messaoudene was careful to avoid speaking for Commerce Minister Djaboub, he was clear that the Islamist party was not an obstacle to moving forward on WTO accession. If anything, he wanted to give the impression that the MSP embraces reform more openly than other parties ahead of the 2007 parliamentary campaign.

FORD